

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 535, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, between lines 4 and 5, begin a new paragraph and insert:
2 "SECTION 2. IC 5-10-5.5-1, AS AMENDED BY P.L.227-2007,
3 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2009]: Sec. 1. As used in this chapter and unless the context
5 clearly denotes otherwise:
6 **(a) "Board" refers to the board of trustees of the Indiana public**
7 **retirement system established by IC 5-10.5-2.**
8 ~~(a)~~ **(b)** "Department" means the Indiana department of natural
9 resources.
10 ~~(b)~~ **(c)** "Commission" means the alcohol and tobacco commission.
11 ~~(c)~~ **(d)** "Officer" means any Indiana state excise police officer, any
12 Indiana state conservation enforcement officer, any gaming agent, or
13 any gaming control officer.
14 ~~(d)~~ **(e)** "Participant" means any officer who has elected to participate
15 in the retirement plan created by this chapter.
16 ~~(e)~~ **(f)** "Salary" means the total compensation, exclusive of expense
17 allowances, paid to any officer by the department or the commission,
18 determined without regard to any salary reduction agreement
19 established under Section 125 of the Internal Revenue Code.

~~(f)~~ (g) "Average annual salary" means the average annual salary of an officer during the five (5) years of highest annual salary in the ten (10) years immediately preceding an officer's retirement date, determined without regard to any salary reduction agreement established under Section 125 of the Internal Revenue Code.

~~(g)~~ (h) "Public employees' retirement act" means IC 5-10.3.

~~(h)~~ (i) "Public employees' retirement fund" means the public employees' retirement fund created by IC 5-10.3-2.

~~(i)~~ (j) "Interest" means the same rate of interest as is specified under the public employees' retirement law.

~~(j)~~ (k) "Americans with Disabilities Act" refers to the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and any amendments and regulations related to the Act.

~~(k)~~ (l) Other words and phrases when used in this chapter shall, for the purposes of this chapter, have the meanings respectively ascribed to them as set forth in IC 5-10.3-1."

Page 7, line 3, delete "pubic" and insert "**public**".

Page 13, line 28, delete "system"" and insert "**fund**".

Page 15, delete lines 5 through 20, begin a new line block indented and insert:

"(1) At least one (1) of the trustees must be an active member of the public employees' retirement fund with at least ten (10) years of creditable service.

(2) At least one (1) of the trustees must be a retired member of the public employees' retirement fund.

(3) At least one (1) of the trustees must be an active member of the teachers' retirement fund.

(4) At least one (1) of the trustees must be a retired member of the teachers' retirement fund.

(5) At least one (1) of the trustees must be an active or retired police officer or firefighter who is a member of one (1) of the following:

(A) The 1925 police pension fund.

(B) The 1937 firefighters' pension fund.

(C) The 1953 police pension fund.

(D) The 1977 police officers' and firefighters' pension and disability fund.

(6) Not more than four (4) trustees may be members of the

1 **same political party."**

2 Page 15, between lines 28 and 29, begin a new paragraph and insert:

3 **"(e) During the first year after an individual's initial**
 4 **appointment as a trustee and each year thereafter during which**
 5 **the individual serves as a trustee, an individual shall complete at**
 6 **least twelve (12) hours of trustee education, at least two (2) hours**
 7 **in each of the following areas:**

8 **(1) Fiduciary duties and responsibilities of a trustee.**

9 **(2) Ethics.**

10 **(3) Governance process and procedures.**

11 **(4) Retirement plan design and administration.**

12 **(5) Investments.**

13 **(6) Actuarial principles and methods.**

14 **(f) Subject to the director's approval, each trustee is entitled to**
 15 **reimbursement for reasonable expenses actually incurred in**
 16 **fulfilling the educational requirements under subsection (e). The**
 17 **director shall give a preference for reimbursement for in-state**
 18 **training that meets the requirements under subsection (e), if**
 19 **in-state training is available."**

20 Page 17, line 11, delete "and" and insert "**or**".

21 Page 17, line 20, delete "shall have" and insert "**has**".

22 Page 17, line 22, delete "employee's" and insert "**employees**".

23 Page 17, line 28, delete "employee's" and insert "**employees**".

24 Page 17, line 39, delete "shall have" and insert "**has**".

25 Page 18, between lines 36 and 37, begin a new line block indented
 26 and insert:

27 **"(6) Employ:**

28 **(A) a manager for the teachers' retirement fund; and**

29 **(B) a manager for the public employees' retirement fund.**

30 **The director may employ managers for one (1) or more of the**
 31 **other public pension and retirement funds of the system to**
 32 **assist in the operation and administration of the applicable**
 33 **public pension or retirement fund."**

34 Page 18, line 37, delete "(6)" and insert "(7)".

35 Page 20, line 15, after "employee" insert "**of the public employees'**
 36 **retirement fund**".

37 Page 20, line 17, after "2009," insert "**and becomes an employee**
 38 **of the system after July 31, 2009,"**.

- 1 Page 20, line 18, after "employee" insert "**of the teachers'**
- 2 **retirement fund**".
- 3 Page 20, line 19, after "2009," insert "**and becomes an employee**
- 4 **of the system after July 31, 2009,**".
- 5 Page 22, line 37, delete "employees" and insert "**employees**".
- 6 Renumber all SECTIONS consecutively.
(Reference is to SB 535 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 9, Nays 0.

Kruse

Chairperson